

(1) The date on which a managed care support contract under the TRICARE program is implemented in the service area of the designated provider.

(2) October 1, 1997.

(2) Notwithstanding paragraph (1), the designated provider whose service area includes Seattle, Washington, shall implement its agreement as soon as the agreement permits.

(3) TEMPORARY CONTINUATION OF EXISTING

PARTICIPATION

AGREEMENTS.—The Secretary shall extend the participation agreement of a designated provider in effect immediately before the date of the enactment of this Act under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 42 U.S.C. 248c) until the agreement required by this section takes effect under subsection (c).

(4) SERVICE AREA.—The Secretary may not reduce the size of the service area of a designated provider below the size of the service area in effect as of September 30, 1996.

(5) COMPLIANCE WITH ADMINISTRATIVE REQUIREMENTS.—<sup>(-^)</sup>

Unless otherwise agreed upon by the Secretary and a designated provider, the designated provider shall comply with necessary and appropriate administrative requirements established by the Secretary for other providers of health care services and requirements established by the Secretary of Health and Human Services for risk-sharing contractors under section 1876 of the Social Security Act (42 U.S.C. 1395mm). The Secretary and the designated provider shall determine and apply only such administrative requirements as are minimally necessary and appropriate. A designated provider shall not be required to comply with a law or regulation of a State government requiring licensure as a health insurer or health maintenance organization.

(2) A designated provider may not contract out more than five percent of its primary care enrollment without the approval of the Secretary, except in the case of primary care contracts between a designated provider and a primary care contractor in force on the date of the enactment of this Act.

**SEC. 723. PROVISION OF UNIFORM BENEFIT BY DESIGNATED PROVIDERS.**

(6) UNIFORM BENEFIT REQUIRED.—A designated provider shall offer to enrollees the health benefit option prescribed and implemented by the Secretary under section 731 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 1073 note), including accompanying cost-sharing requirements.

(7) TIME FOR IMPLEMENTATION OF BENEFIT. — A

designated provider shall offer the health benefit option described in subsection

(a) to enrollees upon the later of the following:

(1) The date on which health care services within the health care delivery system of the uniformed services are rendered through the TRICARE program in the region in which the designated provider operates.

(2) October 1, 1997.

(c) ADJUSTMENTS. — The Secretary may establish a later date under subsection (b)(2) or prescribe reduced cost-sharing requirements for enrollees.